

Solicitor's Questions – LES Medical Insurance Contract

The following Questions & Answers are an accumulation of questions presented to the U.S. Embassy, by interested commercial vendors, regarding the Local Employee Staff member's Medical Insurance Contract, which culminated during the initial Pre-Solicitation Meeting, which was held on the 9th of December in Astana, Kazakhstan.

1. **Question:** Insurance Premiums - Is to be paid quarterly for forthcoming quarter. How is actual difference calculated and paid?

Answer: Yes, it will be paid quarterly for forthcoming quarter. The actual difference will be calculated by presenting the Contractor the data of employees hired and left, the dates. The Contractor will have to do recalculations which the Embassy will check and approve.

2. **Question:** Insurance Premiums – is paid by the Employer for the Employees and their family members, correct?

Answer: Yes.

3. **Question:** Please clarify Item B.3.1. – RETENTION AMOUNTS

Answer: The retention amount is part of the premium and may include, but not be limited to, such costs as overhead and general and administrative costs. It will also include any profit. Essentially, it includes all costs except the actual portion of the premium intended to fund claims paid to the claimant. In the event of a price adjustment, the claims may be increased to pay the contractor if applicable, but these retention amounts that make up part of the overall fixed rate remain unchanged.

For purposes of any economic price adjustment, this retention amount is a fixed amount that is a part of the premium amounts in B.6. This retention amount will not be adjusted for any reason.

4. **Question:** Section B is ended with Item B 4.2.1. How B7 to be is filled which is mentioned in the cover letter?

Answer: B7 is a misprint. This section does not exist. It has not to be filled.

5. **Question:** Insurance premiums – Insurance Company set themselves. Is that Correct?

Answer: Yes.

6. **Question:** Please clarify C 1.1.15 Annual Maximum Limit: The U.S. Mission will reimburse covered expenses up to an annual limit of 500,000 US dollar per patient.

Answer: The revised annual maximum limit which Contractor has to commit with is 100,000 US dollar per patient. This reflects the industry average rate.

7. **Question:** C.1.1.13 Expenses Not Covered: No reimbursement will be made for elective cosmetic surgery; - What cosmetic surgery should be reimbursed?

Answer: No cosmetic surgery will be reimbursed.

8. **Question:** C.1.1.9 Dental care: Routine dental care up to \$200 per person per year – Does this mean that insured employee and his family members can count for \$50 quarterly?

Answer: Yes.

9. **Question:** In case of employee's resignation - how is the process of recalculation is done and does it depend on the amount of calls he made to the clinics?

Answer: Please refer to question and answer #1 and as addition - it does not depend on the amount of calls he made to the clinics.

10. **Question:** Please clarify if the table below is filled correctly- With estimated 100,000 KZT for Single and 150 000 KZT for Family

B.2.1. BASE YEAR OF CONTRACT: Bi-Weekly Rates per Employee:

Category	Estimated Number of Employees	Rate per Employee	Total
Single Employees (Self only)	140	3 845	538 300
Family Plan	305	5769	1759 545
SUBTOTAL			2 297 845,00

Total Price for Base Year (Subtotal x 26): 59 743 970 KZT (Quarterly payment – 14 935 993 KZT)

Answer: Yes, based on the estimated rates the table reflects bi-weekly amounts in a correct way.

11. **Question:** Contract provides 70% coverage of the employee's dependant spouse and children. How is this reimbursement works? For example the invoice from in-patient clinic is 40,000 Tenge. The insured family member hands over this invoice to the insurance company and gets 28 000 Tenge reimbursement. Is that correct?

Answer: The US Embassy will reimburse 100% insurance premium for the single and for the families' plans. The difference which is 30% for the family plan will be deducted from employees' salaries. This information is given for the general knowledge of the Contractor.

12. **Question:** Please clarify C.1.7.1. The contractor shall provide a document (brochure/pamphlet/other written document) in Russian that sets forth a complete listing of the health insurance benefits to be provided under this contract. This brochure shall be provided in sufficient quantities so that each covered employee receives a copy.

Answer: This item requires contractor to ensure that employees know exactly which benefits they have and also what is the working procedure of receiving such benefits.

13. **Question:** Please clarify Item C 2.0. – How is it related to the contract?

Answer: Item C.2.0 is reserved. It refers to life insurance which is not covered in this contract.

14. **Question:** Please clarify Item G. 5 – Refunds to the Government

Answer: If at any time during performance of the contract the Government finds that the contractor has been overpaid because the number of employees and/or dependents covered has decreased, the Contracting Officer may either allow that overpayment to be credited to the Government's account or require that the contractor refund the overpayment

15. **Question:** Please clarify Item G.6 The contractor shall show Value Added Tax (VAT) as a separate item on invoices submitted for payment Article 227 of TAX CODE – Financial Service Item 2 – VAT exempt financial services are: Sub-item 3) insurance and reinsurance operations, also provision insurance brokerage services for conclusion and execution of insurance agreements

Answer: In this case the Contractor has to put Zero percentage VAT as a separate line.

16. **Question:** Please clarify H.4. b. 1-5

Answer: H.4. b.1 -5 shall be rewritten in the upcoming amendment with the following:

(1) All medical claims shall be collected directly by the Contractor from the Clinics, Hospitals and other medical institutions. The Contractor shall have an established process and agreements with Clinics, Hospitals and other medical institutions in place to collect and settle claims.

(2) The contractor shall settle the claims no later than two weeks from the date the claim is collected by the Contractor.

(3) The Contractor shall accept the employee's or dependent's choice to go for surgery to hospitals designated by the Contractor in order that the Contractor will pay the expenses directly to the hospitals.

The Government has prepaid an addendum #1 to reflect these changes and it will be sent to the bidders shortly.

17. **Question:** Please clarify Item C 1. - The Contractor shall insure that health care under this contract does not exclude HIV/AIDS care, unless exclusion has been authorized by HR/OE/CMD.

Answer: Under the law of Government of Kazakshtan HIV/AIDS care has to be carried out and controlled by the Government of Kazakshtan. Hence, this the contract will not cover HIV/AIDS care.

18. **Question:** Can you please provide at least two years of applicable billing rates and effective dates for the entire period for which experience information applies, plus any proposed or recently implemented renewal rates.

Answer: The billing rates will be sent out to the bidders in an e-file format.

19. **Question:** Please clarify - C.1.1.10: Psychiatric treatment: 50% reimbursement

Answer: The Embassy realizes that psychiatric treatment is the responsibility of the Government of Kazakshtan authorities; however if such services are offered or will be offered through the time of the contract at the private psychiatric clinics then the contract shall make provision for 50% reimbursement.

20. **Question:** What is the length of the Contract?

Answer: It is one base year and four option years.

21. **Question:** Please clarify Items C.1.1.6

Answer: Annual exam covers all services as prescribed by the medical authorities of Government of Kazakhsthan and it shall be 100% reimbursed.

22. **Question:** What are requirements MS 743 in Item C.1.4.

Answer: This item clarifies which personell is eligible for this Contract. However the Bidder shall be aware that HR section of the US Embassy will be informing the potential Contractor of the new employees and coordinating employees' lists.

23. **Question:** Item B2.1. – What is the exact number of family members subject to medical insurance?

Answer: The specific number of family members per employee is unknown for the purpose of this solicitation. Bidders shall be aware that only direct family members are eligible for medical insurance under this contract.

24. **Question:** Please clarify Item B.3.2. Shall the retention amount to be specified per person a year or shall be the total amount.

Answer: It shall show the total amounts.

25. **Question:** Shall they the Bidders get a DUNS?

Answer: DUNS are applicable for US Contractors only.

26. **Question:** Please clarify M2. –ability to comply with the required performance period taking into consideration all existing commercial and government business commitments.

Answer: In other words it means that the Contractor can execute this Contract with the Government through the length of the Contract taking into account Contractors other commencements projects and contract both with private and government sector.

27. **Question:** What items has to be filled in SF-33 form?

Answer: The Contractor shall make sure that the following items are filled: 15A, 15 B, 16, 17, 18.

28. **Question:** Please clarify what documents has to be notarizes and submitted? What supplementary documents are to be submitted?

Answer: The Bidders has to refer to L.4. CONTENTS OF PROPOSALS.

For Notarized documents refer to items L.4.3.2.2 -Licensing Information. The Contractor shall make sure to submit a qualified technical proposal as requested L.4.3. Volume 3 -- Technical Proposal.

To do so the Contractor shall guide with items L.4.3.1 through L.4.3.4.

The Contractor shall remember that Proposals shall contain only the benefit levels stated in Section C. Proposals offering benefit levels greater or less than those levels required in Section C may be rejected as unacceptable.